



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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J. TYLER McCAULEY
AUDITOR-CONTROLLER

WENDY L. WATANABE
CHIEF DEPUTY

February 6, 2008

TO: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **LOS ANGELES UNIFIED SCHOOL DISTRICT CONTRACT REVIEW – A
DEPARTMENT OF PUBLIC SOCIAL SERVICES CALWORKS ADULT
AND CAREER EDUCATION PROGRAM PROVIDER**

We have conducted a program review of Los Angeles Unified School District (LAUSD or Agency), a Department of Public Social Services (DPSS) CalWORKs Adult and Career Education Program (CalWORKs) provider.

Background

DPSS contracts with LAUSD, a public education institution, to provide and operate the CalWORKs Adult and Career Education Program. LAUSD provides out-of-classroom coordination services at various school sites. The services entail the return of required paperwork and the necessary communication between LAUSD and DPSS staff to ensure that CalWORKs participants are enrolled in an academic/vocational training program according to their Welfare-to-Work employment plans. The Agency provided services to residents of all Supervisorial Districts.

LAUSD is compensated on a cost reimbursement basis. LAUSD was paid approximately \$1 million for Fiscal Year 2006-07.

Purpose/Methodology

The purpose of the review was to determine whether LAUSD complied with the contract terms and appropriately accounted for and spent CalWORKs Adult and Career Education Program funds in providing services outlined in their County contract. In addition, we interviewed a selected number of the Agency's staff and clients.

Results of Review

The Agency's staff possessed the appropriate qualifications, and the program participants interviewed stated that the services received from LAUSD generally met their expectations. However, eight of the 25 (32%) case files sampled did not contain sufficient documentation to support the services provided to the participants. Subsequent to our review, LAUSD provided appropriate documentation for three case files.

In addition, LAUSD could not provide financial documentation, such as accounting records, financial reports, and bank reconciliations, to support their program billings. According to LAUSD, the financial records were not available due to problems they were having with their new automated accounting system. The last phase of their system should be implemented by July 2008.

Details of our review along with our recommendations for corrective action are attached.

Review of Report

We discussed our report with LAUSD on December 20, 2007. In their attached response, LAUSD concurred with our finding and recommendation. We notified DPSS of the results of our review.

We thank LAUSD for their cooperation and assistance during this review. We will follow up our recommendation during next year's monitoring review. Please call me if you have any questions or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: William T Fujioka, Chief Executive Officer
Philip L. Browning, Director, Department of Public Social Services
Isabel Vazquez, Supervisor, Los Angeles Unified School District, Program
Information and Community of Outreach Division of Adult and Career Education
Public Information Office
Audit Committee

**CalWORKs DIVISION OF ADULT AND CAREER EDUCATION PROGRAM
LOS ANGELES UNIFIED SCHOOL DISTRICT
FISCAL YEAR 2006-07**

ELIGIBILITY

Objective

Determine whether Los Angeles Unified School District (LAUSD or Agency) provided services to individuals that meet the eligibility requirements of the CalWORKs Adult and Career Education program.

Verification

We reviewed the case files for 25 program participants that received services during January and February 2007 for documentation to confirm their eligibility for services.

Results

All 25 program participants met the eligibility requirements for the CalWORKs Division of Adult and Career Education program.

Recommendation

There are no recommendations for this section.

BILLED SERVICES/CLIENT VERIFICATION

Objective

Determine whether the LAUSD provided the services in accordance with the County contract and the program participants received the billed services.

Verification

We reviewed the documentation contained in the case files for 25 (2%) of the 1186 program participants that received services during January and February 2007. We also interviewed four program participants.

Results

The program participants interviewed stated that the services they received from LAUSD met their expectations. However, LAUSD did not maintain adequate documentation in eight of the 25 (32%) participants' case files reviewed to support the services provided. Specifically, the case files did not document the length of time spent

with the participants. Subsequent to our review, LAUSD provided appropriate documentation for three case files.

Recommendation

1. LAUSD management ensure that participants' case files adequately support the services provided.

STAFFING QUALIFICATIONS

Objective

Determine whether LAUSD staff possessed the qualifications required to provide services.

Verification

We reviewed the personnel files of seven employees for documentation to confirm staff qualifications.

Results

LAUSD's employees possessed the required employment eligibility verification, training, reading, writing and language requirements identified in the contract.

Recommendation

There are no recommendations for this section.



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DIVISION OF ADULT AND CAREER EDUCATION
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ADMINISTRATOR

January 18, 2008

J. Tyler McCauley
Los Angeles County Auditor-Controller
500 W. Temple, Room 525
Los Angeles, CA 90012

Dear Mr. McCauley:

Thank you for your correspondence dated December 21, 2007 indicating the results of the most recent Los Angeles Unified School District Contract Review for the CalWORKs program. This is the LAUSD management response to those findings.

1. **Eligibility:** No recommendations were made for this section.
2. **Billed Services/Client Verification:**

Recommendation - LAUSD management: Ensure that participant case files adequately support the services provided.

LAUSD Correction Plan - To ensure that participant case files adequately support the services provided, LAUSD management has implemented and instructed their staff to use the enclosed form - *Counseling/Case Management Notes for Direct and Indirect Services* at all locations providing CalWORKs coordination services. It has been electronically distributed to each site. Instruction on usage is taking place during site visits and will be discussed at our Adult Division meeting in March. This chronological log of all participant activity will provide a record of all documents in the case file while also recording which staff person saw the participant and how much time was spent providing the various services. The new log will offer a way for the school site staff to not only review participant case files for accuracy but to do self-monitoring case file reviews on a regular basis. Regular site visits by the LAUSD program manager have been instituted since this contract review took place. These continued visits will support the correction plan to improve case files that document support to participants. Service to any participant necessitates maintaining accurate case files to support the services provided. It is our goal to meet this contract requirement while also offering quality service. The staff members at our 16 school sites have worked hard to provide quality service and programs. We will continue to make the necessary corrections in order to comply with the terms of our contract while striving to serve the educational needs of our clients. Thank you for the opportunity to serve them.

3. **Staffing Qualifications:** No recommendations were made for this section.

If you have any questions or need additional information for clarification, please contact me at 213-241-3156 or darlene.neilsen@lausd.net.

Sincerely,

A handwritten signature in cursive script that reads "Darlene Neilsen".

Darlene Neilsen
CalWORKs Grant Coordinator